

NINE RESERVATIONS CHANGED BY LODGE



The



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NEW CONFESSION IN \$5,000,000 WALL STREET THEFT PLOT

PALMER WILL ACT TO STOP RAIL STRIKE

Administration Officials Regard Walkout Order to Track Men as Illegal.

PRESIDENT WILL ACT.

Hines Will Deliver Government's Answer to the Men To-Day.

WASHINGTON, Feb. 11.—Director General Hines conferred with Attorney General Palmer to-day on the threatened railroad strike situation. Mr. Palmer denied that the Department of Justice was contemplating action, declaring that any such statements were unwarranted at this time. Mr. Palmer would not say, however, that the department would not eventually take a hand. The Attorney General did not discuss the possibility that the Government might resort to injunction proceedings to stay the threatened strikes as it did in the case of the bituminous coal mine strike.

Railroad Administration officials regard as illegal the order sent to 300,000 maintenance of way workers to hold themselves in readiness to quit work Feb. 17 unless their demands are met. Officials of the union here to-day are planning an appeal to President Wilson over the head of Rail Director Hines as a last resort, they said, before putting the strike into effect.

Hines is to meet the officials of all the unions late to-day to give them an answer to their communication of yesterday. Later he will have a separate conference with President W. G. Lee of the Brotherhood of Railway Trainmen who refused to sign the communication. It is understood his answer to the other leaders will be a refusal to meet their full demands.

According to President L. E. Sheppard of the Order of Railway Conductors the unions are determined to act if their demands are not met. "But we wish to present a communication to the Railroad Administration," he said, "which will put us in a more tactical position when it becomes necessary to act. We are making plain to Mr. Hines that we are determined that we must have the wage increases we asked. We shall not compromise. We cannot compromise our convictions. We shall not back down nor reduce our demands."

Railroad Administration officials say privately they do not believe the unions will strike. They are making every preparation, however, to meet a strike situation if it develops.

President Wilson has not yet given Hines any advice as how to proceed. After his conferences with the union representatives, Hines will report to the President. It is thought likely Hines will try to see the President before night.

The Committee of Ten, representing the Brotherhood of Maintenance of Way employees, arrived to-day from Detroit and immediately went into conference with J. B. Malley, Vice President of the union, and its other representatives in the negotiations with Mr. Hines.

DETROIT, Mich., Feb. 11.—Maintenance of way workers and railway shopmen will pay no attention to any injunction issued restraining them from striking, A. E. Barker, Grand President of the Brotherhood, declared to-day.

GET THE COUNTRY BACK ON PEACE BASIS \$10,114,000 FOR NEW JOBS, PEACE 'ECONOMY' AT CAPITAL

Every Department Has Plan to Fasten Extra Army to Its Payroll.

FIND MANY EXCUSES.

But It Means a 10-Cent Tax on Every Man, Woman and Child in Nation.

By Martin Green. (Special Staff Correspondent of The Evening World.)

WASHINGTON, Feb. 11.—In these days, with the engineers of our Government machinery still, under the influence of war conditions when throwing public money away attained almost to the dignity of a rite, talking in hundreds of millions and billions, when the prospect of piling a deficit of \$4,000,000,000 on the backs of the taxpayers creates not nearly so much excitement in Congress as an utterance by William Jennings Bryan, mention of a paltry ten millions is a piker's pasture. Nevertheless, let us be pikers to-day and talk about \$10,000,000 which the departmental and bureau chiefs of the Government hope to distribute in the next fiscal year as recompense for new jobs.

After all the average citizen is likely to be more familiar with \$10,000,000 as expressed in figures than with \$1,000,000,000, although \$10,000,000 is a tidy sum. The population of the United States is estimated at 110,000,000. If it were possible for the Government to levy a tax of 10 cents upon every person in the country, from babes in arms to nonagenarians, the clean up would amount to \$11,000,000.

So any reader perusing this article can figure that it has for him or her a personal financial interest amounting to a little less than 10 cents, because if Congress passes the item I am about to set down it will mean taking a little less than 10 cents out of the pocket of every human being within the borders of the Nation in order that a new army of tax eaters may be taken from productive enterprises and chained to the public payroll.

The financial affairs of the Government are so complicated that even experts are frequently stumped in trying to figure out where the money goes. Many of the channels are underground. Others are camouflaged at the source, but are plainly in view thereafter because experience has taught legislators that the public never thinks long about expenditures for Governmental purposes. Once money is appropriated, it is gone from the control of the contributors forever and ever.

In the face of positive knowledge that unless Congress goes through the estimates of appropriations for the fiscal year of 1921-1922 with hands thrown instead of hot air the \$10,000,000 inhabitants of the United States, including the millions who are too young and the millions who are too old or are ill or crippled or in jail, will be liable to an additional tax of about \$40 each, the bureau chiefs propose to dissipate \$10,000,000 in salaries and expenses of new employees. Estimating the average Government salary at \$2,000 a year, which is too high, this sum would automatically put 5,000 new names on the Government payroll.

Looking over the items in the estimates of the Treasury Department we find that Congress is asked to appropriate \$100,000 for control of biological products. No further information is forthcoming from the papers in the case, but the dictionary tells

(Continued on Seventeenth Page.)

SAYS NEWBERRY SPENT \$800,000 FOR ELECTION

Witness Swears One of the Defendants Named Huge Sum in Michigan.

GRAND RAPIDS, Feb. 11.—Frank M. Sparks, associate editor of the Grand Rapids Herald, testified late to-day at the Newberry trial that he was told by Richard Fletcher, State Labor Commissioner, that "Newberry spent \$800,000 to win the election." "I told Fletcher I knew Newberry spent half a million," he stated. "Fletcher laughed. 'Half a million?' he said. 'Why, Newberry spent \$800,000 to win the election, didn't he?'"

Fletcher is a defendant.

"MY WIFE," TWO SAY ON SEEING PICTURE.

Husband Who Left Woman Returns to Find Her Wed Again, and She Is Held.

Ever since 1910, when Louis H. Ruppert and his wife separated in Edgewater, N. J., Ruppert has been wandering over the face of the earth, always keeping in mind the woman he left behind. He returned to the United States not long ago, and last Monday met Peter L. Jackson, who lives at No. 571 Second Avenue.

After some talk Jackson fished out of his pocket a picture of a handsome woman and proudly announced: "That's my wife. What do you think of her?" "Your wife?" exclaimed Ruppert. "Like her—she is! She's my wife!"

Jackson thereupon charged Mrs. Maude L. Jackson of No. 216 West 78th Street with bigamy.

Magistrate Nolan held her for the Grand Jury on a \$1,000 bond, which was supplied by Ruppert.

FLOUR PRICE DROPS 50 CENTS A BARREL

Minneapolis Market Is Now \$1 Lower Than One Week Ago.

MINNEAPOLIS, Minn., Feb. 11.—For the second time within a week flour dropped 50 cents a barrel at the market here to-day.

The decline is attributed to the uncertain and erratic wheat situation.

SENATOR LODGE OFFERS NINE RESERVATION AMENDMENTS

Preamble, Domestic Questions and Shantung Are Among Proposed Changes.

NOTHING ON ARTICLE X.

Amendments Follow Lines of Those Agreed Upon at Bi-Partisan Parleys.

WASHINGTON, Feb. 11.—Senator Lodge offered in the Senate nine amendments to the Lodge reservations to the Peace Treaty to-day.

The amendments are those worked out in the bi-partisan treaty conferences recently held in Lodge's office. They affect the preamble, withdrawal, domestic questions, Shantung, naming of American representatives to the League, payment of the United States' share of League expense, disarmament, status of foreign nationals under Article 16 and voting power.

Senator Lodge did not submit an amendment on Article X, or the Monroe Doctrine. The amendment to the reservation of voting power is the only one of those submitted on which virtual agreement had not been reached in the bi-partisan conference.

Senator Lodge's action to-day made the bi-partisan agreement the "official program" of the Lodge forces in the Senate. The Senator hopes to get the support of Democrats for the changes because the Democrats in the bi-partisan conference had agreed to most of the amendments presented to-day.

Presentation of the amendments paved the way for actual work on the treaty or soon as it is called up next Monday. Senator Lodge asked that they be printed to make sure. He had them printed before making the request and copies were distributed to all Senators.

Lodge said that the amendments offered to-day do not in every case follow the exact wording of the bi-partisan agreement, but the changes are for the most part mere elimination of superfluous words.

In the reservation on withdrawal Senator Lodge proposed to meet the point raised by President Wilson in his letter to Senator Hitchcock—that the President should be given the right to veto a withdrawal resolution passed by Congress—by stating that the notice may be given by the President or by Congress alone, whenever a majority of both Houses may deem it necessary.

Wood D. Lounsbury, Deputy Commissioner of Accounts, testified that a comparative analysis of the operations of the Interborough Rapid Transit Company, Subway Division, for the years 1917, 1918 and 1919 shows that the gross operating revenue increased \$355,555.15, or 0.1777 per cent, in 1918 over 1917, and \$2,791,750.00, or 1.278 per cent, in 1919 over 1918.

"It shows that the business of the Interborough which is seeking an eight cent fare, is increasing by leaps and bounds," said Corporation Counsel Burr.

Mr. Lounsbury's report, which was read into the record, said: "The operating expenses, including

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ROBERT U. JOHNSON ENVOY TO ITALY

President Will Send Nomination of New York Author to Senate Soon for Ratification.

WASHINGTON, Feb. 11.—Robert Underwood Johnson of New York, author and editor and one of the founders of the League to Enforce Peace, has been selected by President Wilson as Ambassador to Rome to succeed Thomas Nelson Page of Virginia, who resigned several months ago. The nomination will go to the Senate in a few days.

Mr. Johnson is 57 years old. He was editor of the Century Magazine from 1909 to 1912. He induced Gen. Grant to write his memoirs and set on foot the movement which created the Yosemite National Park.

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CHANGES MADE AT CONFERENCE IN RESERVATIONS

These Form the Basis of the Amendments Offered To-Day by Lodge.

The Evening World on Jan. 28 published the following as the reservation that had been agreed upon at the bi-partisan conference of Senators:

PREAMBLE.—"The conferees had agreed to strike out the words providing for acceptance of the American reservations by at least three of the four principal allied and associated powers, through an exchange of notes, leaving the preamble to provide simply for acceptance. The conferees then added these words:

"And the failure on the part of the allied and associated powers to make objections to such reservations and understandings prior to the deposit of the ratification by the United States shall be taken as full acceptance of such reservations and understandings by said powers."

WITHDRAWAL FROM LEAGUE.—On this reservation a tentative agreement

(Continued on Second Page.)

I. R. T. CAPITALIZED MONEY FOR SUBWAY SEVEN TIMES OVER

Pyramided Investment of \$19,000,000 Until Securities Reached \$139,000,000.

BIG GAIN IN EARNINGS.

Revenue Ample to Pay Taxes, Rentals and Security Obligations Over Operation.

One of the most interesting revelations yet made concerning the remarkable financial success of the Interborough Company was contained in a report made to the Board of Estimate at to-day's traction inquiry by Duncan MacInnes, Chief Auditor of the Finance Department, after an investigation of the traction company's books.

The report shows that the actual cash investment in the original subway was not more than \$19,000,000 and that on this the Interborough builded and pyramided until its securities reached \$139,000,000. In other words, the Interborough capitalized its original investment seven times over. This is the information Comptroller Craig has long sought.

"I consider, the \$19,000,000 cash investment discovery in connection with the \$139,000,000 securities the most important fact brought out in this investigation," said the Comptroller.

The \$139,000,000 worth of securities is divided as follows: \$30,000,000 of Interborough stock, \$70,000,000 in Interim 4 1/2s and \$39,000,000 worth of Interim common which was converted into Interborough Consolidated.

Mr. MacInnes reports that the way the books of the Interborough are kept it is almost impossible for an outsider to examine them intelligently. He blames the Public Service Commission for this condition of affairs. "I am sipping and mining and getting richer," said Mr. MacInnes.

"And bombing," supplemented James L. Quekenbush, chief attorney for the Interborough.

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TWO NEW ARRESTS IN PLOT TO STEAL \$5,000,000 BONDS

Brothers Accused of Part in Big Wall Street Thefts—Prisoners Said to Have Confessed Taking \$2,000,000 Securities.

* After an all-night hunt detectives to-day made two more arrests in the Wall Street messenger conspiracy to steal securities and Liberty bonds in excess of \$5,000,000. Soon after daybreak Detectives McDonald, Mayer, Brown and Minheim knocked at the door of Rudolph Bunora's apartment at No. 927 Tremont Avenue, the Bronx, and as he answered the door, not yet quite awake, they arrested him on the charge of receiving \$21,000 in stolen securities. He was taken to the Tombs. He is twenty-four years old.

ITALY WOULD MAKE CITIZENS WORK AS 'TAX ON LAZINESS'

Bill in Parliament Proposes Agricultural Colonies for All Convicted Idiots.

ROME, Feb. 11.—A bill introduced in Parliament by Giovanni Lombardi, Independent Socialist Deputy, who calls the measure "a tax on laziness."

Persons who fail to work are subjected to heavy levies under the provisions of the bill. Money thus acquired would be used to maintain those unable to work and keep up agricultural colonies to which able-bodied persons who fail to work would be sent.

It is alleged Rudolph Bunora received the \$21,000 in securities from the Gluck brothers, whose name has been associated with the conspiracy. It is alleged they were stolen in May, 1919. Most of the Crucible Steel securities have been recovered in Washington, Philadelphia and New York. David W. Sullivan, a New York broker, has been arrested, charged with trying to negotiate loans on them after they were stolen.

REDS' FOES SINK SHIP; 1,400 PERSONS DROWN

Transport Shelled and All On Board Killed, Says Message From Bolsheviks.

LONDON, Feb. 11.—A wireless dispatch from the Soviet Government at Moscow to-day says:

"According to a message from Novorossiysk, when the volunteer transport Karantin with officers and officials and their wives and children aboard, numbering 1,400, left Makhopol in the Russian province of Yekaterinburg on the approach of the Bolsheviks, the volunteer army increased at being left behind, fired on the ship. A shell pierced a boiler and the transport sank with all aboard."

WOULD DIVIDE N. Y. STATE.

Metropolitan District Would Be Separate State Under Bill.

ALBANY, N. Y., Feb. 11.—The State of Greater New York would be created under the provisions of a bill introduced in the Senate to-day by Senator McGarry.

Aside from the five counties comprising Greater New York, the new State would include Nassau, Suffolk, Westchester, Putnam, Dutchess, Ulster, Greene, Sullivan, Rockland and Orange Counties.

\$10,400,000 FOR N. Y. BAY.

Government Engineers Recommend Waterways Plan to Congress.

WASHINGTON, Feb. 11.—Improvement of waterways connecting Long and Lower New York Bay at a cost of \$10,400,000, with initial appropriation of \$1,000,000, was recommended to Congress to-day by Government engineers. The plan contemplates a 30-foot channel, 190 feet wide, from Lower New York Bay through Raritan Bay, Arthur Kill and Kill Van Kull and South of Success Island.

Papers were served to-day in a suit brought in the Supreme Court by the New York and Richmond Gas Company against Public Service Commissioner Lewis Nixon and others to restrain enforcement of the Mactac Gas Law on Staten Island and to have the law declared unconstitutional on the ground that it is confiscatory.

Argument for a temporary injunction will be heard Feb. 20, 1920.

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TAKE BELL-ANS AFTER MEALS and see how the GOOD DIGESTION makes you feel.—Adm.